GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:79
ANSWERED ON:03.12.2015
Revival of Sick/Closed Textile Mills
Premachandran Shri N.K.

Will the Minister of TEXTILES be pleased to state:

(a) the number and details of textile mills operating, lying sick and closed at present along with the reasons for their closure in the country, State-wise;

(b) whether the Government has received any representations for the revival of the sick and closed mills including Parvathy Mills Limited, Kollam in the country;

(c) if so, the details thereof and the action taken by the Government thereon; and

(d) the steps taken by the Government for the revival of these mills and safeguard the interests of the workers of sick and closed mills?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE)
IN THE MINISTRY OF TEXTILES
(SHRI SANTOSH KUMAR GANGWAR)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO.*79 TO BE ANSWERED ON 03.12.2015.

(a) to (d) State wise position of working and sick textile mills is given as Annexure − 1 Table 1A. Reason wise details for the sick mills is given in Table 1B.
Relevant details for the National Textile Corporation Limited (NTC), a Central Public Sector Undertaking are at Annexure 2 respectively.
Parvathy Mills, Kollam is one of the 11 mills under NTC which are slated for revival under Joint Venture route as per Board for Industrial and Financial Reconstruction (BIFR) approved scheme. However, the Memorandum of Undertaking (MoU), signed with the Joint Venture partner, was terminated as the JV partner failed to enter into definitive agreement with NTC within specified time. The JV partner has challenged the termination of MoU in the High Court of Delhi and the matter is sub-judice at present.
The Government has no scheme for revival of the sick textile mills. In order to give relief to the workers rendered jobless due to permanent closure of textile mills in private sector, Textile Worker's Rehabilitation Fund Scheme (TWRFS) has been introduced by Govt. of India with effect from 15-9-1986 with the objective of giving interim relief to the workers rendered jobless for a period of three years on a tapering basis, wage equivalent to 75% in the first year, 50% in the second year and 25% in the third year. The mills closed on or after 5.6.1985 are covered under TWRFS.
NTC had been implementing BIFR approved revival scheme MS-08 wherein however, it has no mandate to revive the mills closed under Industrial Disputes Act. NTC has relieved the willing workers after paying the due compensation under approved Modified Voluntary Retirement Scheme.